GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:929
ANSWERED ON:23.11.2001
AMENDMENT IN BENAMI TRANSACTION PROHIBITION ACT
SUBODH MOHITE

Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to enact amendment in the Benami Transactions (Prohibition)Act, 1988 to give it more power;

(b) if so, the details thereof alongwith the reason therefor;

(c) whether since passing of Act, rules have not been notified so far;

(d) if so, the reasons for not notifying the rules; and

(e) the steps undertaken by the Government to make Act operational at the earliest?

Answer

MINISTRY OF STATE IN THE MINISTRY OF FINANCE (GINGEE N. RAMACHANDRAN)

(a) & (b) : The Government is considering in consultation with the Ministry of Law changes in the Benami Transactions (Prohibition) Act, 1988 to make it implementable. No decision has yet been taken on the nature of amendments in law in this regard.

(c) ,(d) & (e) : Yes sir. These rules could not be notified as the Benami Transaction (Prohibition) Act, 1988 since its inception, ran into implementation difficulties. The Ministry of Law pointed out serious legal infirmities in the enactment causing difficulties in the framing of the Rules. Consultations are being held between the Ministry of Finance and the Ministry of Law to make the Act operational at the earliest.